

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0639-01
Bill No.: HB 385
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Dept; Teachers
Type: Original
Date: March 11, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** stated this proposal would have no fiscal impact on their agency.

Officials from the **Kansas City, Missouri School District** stated they have had hiring incentives in past years; however, in the current economic environment they are not likely to be funded for FY 04.

Officials from the **Rockwood R-VI School District (RSD)** indicated the fiscal impact of this proposal would be significantly dependent upon the reaction of the neighboring districts with which they compete to hire teachers. The range of responses vary from an increase in costs, to no significant impact, to a possible reduction in costs. RSD also noted there could be uncertain added administrative costs related to the Equal Pay Act.

Officials from the **Columbia School District (CSD)**, by board policy, has the flexibility to offer compensation for hard to fill areas if needed. Typically, the CSD strives to maintain the salary schedule in order to be fair to existing long term faculty.

Officials from the **St Louis Public Schools** were unable to determine the fiscal impact at this time; however, any implementation would be within the boundaries of a balanced budget.

ASSUMPTION (continued)

Officials from the **Nixa R-II School District** responded, but did not indicate what the fiscal impact of this proposal might be.

Oversight assumes this proposal is permissive, therefore there will be no cost to the school districts unless they chose to implement the incentives. It appears that many school districts currently have these incentives in place.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

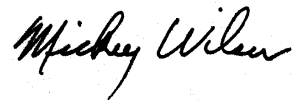
DESCRIPTION

This proposal gives school districts the right to include hiring incentives and other forms of salary schedule modifications to attract and retain teachers who are certificated in subject areas that have a teacher shortage.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
St Louis Public Schools
Kansas City, Missouri School District
Nixa R-II School District
Columbia School District
Rockwood R-VI School District

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

MICKEY WILSON, CPA
DIRECTOR
MARCH 11, 2003